



## Charity Review

## Operation Smile Foundation (Thailand)

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### Charity Purpose:

Operation Smile Thailand provides free surgeries to repair cleft lip, cleft palate and other facial deformities for children throughout the country. Operation Smile Foundation in Thailand Foundation was registered as a Not-for-profit organization on Feb 11, 2002. Registration as a not-for-profit organization # Kor Tor 1112 Thailand Income Tax Exempt number # 636. Donations to Operation Smile Thailand are tax-deductible for Thai income tax payers.

Approximately one in every 500 babies in Thailand is born with a cleft lip or cleft palate. On average a cleft lip/cleft palate operation costs approximately 25,000THB excluding the medical staff volunteers' time. The need for Operation Smile support for Cleft Lip and Cleft Palate surgeries in Thailand is well recognised as over 100 medical professionals in Thailand volunteer their time to perform surgical missions each year.

### Review Process:

We visited the Operation Smile Foundation (Thailand)'s office in Bangkok and reviewed the charity activities and discussion in activities details with Mr. Kevin J. Berauvais, Chairman and Ms. Christina Krause, Executive Director and K. Tatpisha Termthavorn, Resources Development Director.

We gained a good understanding of the need the surgeries supported by Operation Smile Foundation and can see the high level of professionalism of the staff and transparency of the organisation.

### Background to the need:

As in many countries the public health sector in Thailand cannot meet the demand for various surgeries in a timely manner and consequently there is a long queue for surgeries. This includes cleft lip and cleft palate reconstructive surgeries. The Thai Ministry of Public Health estimates that there are 25,000 untreated cases of cleft lip and cleft palates. There are approximately 1,800 new cases in Thailand per year as 1 in 500 babies is born with a cleft lip or palate. This does not include hill tribe persons and refugees living in Thailand. One in 10 babies with these deformities will die before their first birthday if untreated.

Furthermore, persons which do not have Thai citizenship are not entitled to receive public health treatment in Thailand. This means that marginalised persons such as in hill tribe areas and citizens from neighboring countries in Thailand are not able to seek public health services in Thailand.

Having a Cleft lip/pallet effects a child physically as they may be malnourished since they are unable to suckle well as a baby, have difficulty eating. They are also at higher risk of ear disease, suffer from dental and speech impediments let alone the humiliation the person suffers from having such a deformity.

### History in Thailand

Operation Smile, with a current presence in 51 countries, is an international organisation started in the US in 1982 to provide free reconstructive surgery to children with facial deformities.

Operation Smile conducted its first mission in Thailand in 1997. Operation Smile Thailand has reached out to the farthest corners of the Kingdom, with medical missions to Tak, Ubon Ratchathani, Pitsanulok, Khon Kaen, Saraburi, Chiang Mai, Nan, Nakhon Phanom, Chonburi, Yasothorn, Amnat Chareon, Sisaket, Nakhon Srithammarat, Songkla, Yala, Samutsakorn, Kanchanaburi, Nonthaburi and Surin as well as medical missions to neighboring countries, Laos and Myanmar.

In 2006, Operation Smile Thailand partnered with the Thai Speech and Hearing Association to produce the first Thai language manual for parents and their children who need integral cleft lip and cleft palate care.

In the last few years Operation Smile Thailand has performed more than 8,000 free surgeries for children in the Kingdom of Thailand, Laos and Myanmar.

<u>Year</u>	<u>Number of Surgeries</u>	<u>Location</u>
2011	48 O	Sakonnakhon Hospital
	52 O	Surin Hospital
	50 W	Sanpasittiprasong Hospital, Ubon Ratchathani
	120 O	Srinagarind Hospital Faculty of Medicine, Khon Kaen University
	80 O	Chonburi Hospital
	100 O	Maharaj Nakorn Chiang Mai Hospital
	129 W	Maesot Hospital
	100 O	Buddhachinnaraj Hospital
	42 W	Sanpasittiprasong Hospital, Ubon Ratchathani
	50 O	Songklanagarind Hospital
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	771	
2012	24 O	Nan Hospital
	on process O	Srinagarind Hospital Faculty of Medicine, Khon Kaen University
	on process O	Maharat Nakhon Ratchasima Hospital
	on process O	Buddhachinnaraj Hospital
	on process O	Chonburi Hospital
	73 W	Sanpasittiprasong Hospital, Ubon Ratchathani
	on process O	Mahara Nakhon Si Thammarat Hospital
	on process O	Maharaj Nakorn Chiang Mai Hospital
	on process O	Panyanantaphikkhu Chonprathan Medical Center Srinakharinwirot University

2013	61 W	Sisaket Hospital
	O	Maharat Nakhon Chiang Mai Hospital
	70 W	Sanpasittiprasong Hospital, Ubon Ratchathani
2014	O	Surin Hospital

Note: "O"ngoing or "W"eekly Mission

<http://www.operationsmile.or.th/missions/reports/index.phtml>

### Description of Activities and Programs:

Operation Smile Thailand Foundation enables poor patients nation-wide to receive free cleft lip and cleft pallet reconstructive surgeries in a timely manner. Operation Smile Missions are divided into two types. **Weekly Missions** provide full medical volunteer service and **On-going Missions** which provide finance and support to Thai public hospitals upcountry so that poor citizens can receive the surgery in a timely manner.

#### - Weekly Mission

This is particularly needed for persons who cannot access the Thai public health system. The Weekly Missions (which take one week each) are conducted in border areas such as Mae Sot near the border with Myanmar, Sisaket and Ubon Ratchathani near the borders with Laos and Cambodia. Medical volunteers in the fields of reconstructive surgery, anesthesia and nursing are mobilized from all over Thailand to provide free and safe surgeries in remote rural areas lacking specialized medical professionals to deliver quality surgical care and medical services.

Medical volunteers in the fields of reconstructive surgery, anesthesia and nursing are from all over the country to provide free and safe surgeries in remote rural areas lacking specialized medical professionals. Babies need to be at least 6 months old and/or 5 kgs in weight to be ready for the surgery.

Each weekly mission consists of 50-60 volunteer Thai medical professionals and each operation requires a team of 9 medical staff to operate on 20-30 patients per day. The doctor volunteers are usually private practitioners in Bangkok. Medical staff are usually all Thai due to Thai legal qualification requirements. The average cost of a Weekly Mission surgery is Baht 35,000 (excluding medical staff time which is volunteered).

#### - On-going Mission

Operation Smile Thailand Foundation launched the first on-going medical program (in its global network) by conducting fundraising activities program to pay the necessary cost to provide for an agreed number of patient with the identified hospitals where have full time plastic surgeons but lack the funds to offer free surgeries with global standard of care.

The average cost for an On-going Mission is Baht 15,000 as the facilities and doctors are utilised at the public hospitals.

#### - Post Operative Care

The foundation also provides continuous medical services and health care to patient when professional medical volunteers see the need for further treatment such as dental care, speech camp, facial reconstructive surgeries and for patients who are accepted in to the foundation's individual cases.

#### - Global Standard of Care

To ensure the safety and quality of care for every patient around the world, Operation Smile sets global policies for medical treatment, medical equipment and supplies. They also train our in-country medical volunteers and credential them in order to provide the safest surgeries in accordance with global medical standards.

## - Student Programs

Through collaboration with educational institutions in Thailand, Operation Smile has founded school clubs to empower students with a sense of social responsibility and volunteerism while building leadership skills. Since 2007, Operation Smile Thailand's Student Program has grown to 8 clubs from 8 Thai and international schools with more than 200 students from elementary to high school.

<http://www.operationsmile.or.th/smilestories/index.phtml>

## Primary Supporting Organisations:

Operation Smile has a diverse range of supporters, which can be classified as:

	<u>2012</u>	<u>2013</u>
Corporate	9,450,184	6,553,826
School Clubs	855,870	2,688,896
Donation Box	228,292	237,477
Individual	1,769,465	2,723,611
Fight Night	2,625,610	3,239,914
Clubs & Associations	774,016	1,376,217
Merchandise / Events	310,125	1,418,165
In-Kind	-	301,645
Total	<u>16,013,562</u>	<u>18,539,751</u>

## Transparency and reporting

Operation Smile prepare annual financial accounts and operational audits. The Operation Smile Foundation in Thailand 2012 financial statements were audited by TC Consulting Co.,Ltd. in accordance with International Financial Reporting Standards "IFRS".

In 2012, 11 volunteers provided unpaid work for Operation Smile organisations. The volunteers stayed with Operation Smile for different periods of time, but contributed approximately 2.3 man-years in 2012.

Operation Smile has low administration cost ratio of revenues of 10% in 2012 after including the minimum notional cost of the medical staff volunteered time for each operation.

<http://www.operationsmile.or.th/aboutus/supporters/index.phtml>

**Receipts and Outgoings    Charity:    Operation Smile Foundation (Thailand)**

	<u>Audited</u>		<u>Notional</u>	<u>Notional Time Value</u>	<u>Total</u>	
	<u>THB</u>		<u>In Kind</u>	<u>Volunteers</u>	<u>THB</u>	
	<u>2012</u>		<u>2012</u>	<u>2012</u>	<u>2012</u>	
<b>Income</b>						
Donation Cash	16,013,663				16,013,663	
Donation In-kind				25,930,000	25,930,000	
Other	84,607				84,607	
<b>Total</b>	<b>16,098,270</b>		<b>-</b>	<b>25,930,000</b>	<b>42,028,270</b>	
Patients Treated	696				696	
<b>Program Expenses</b>						
Salary	3,027,661				3,027,661	
Mission Expenses	8,730,104		-	25,930,000	34,660,104	
Education Expenses	409,337				409,337	
Individual Patients	352,651				352,651	
<b>Total</b>	<b>12,519,753</b>	<b>78%</b>	<b>-</b>	<b>25,930,000</b>	<b>38,449,753</b>	<b>91%</b>
<b>Overhead Expenses</b>						
Salary	2,310,045	14%			2,310,045	5%
Administrative	830,518	5%			830,518	2%
<b>Total</b>	<b>3,140,563</b>	<b>20%</b>	<b>-</b>	<b>-</b>	<b>3,140,563</b>	<b>7%</b>
<b>Total Expenses</b>	<b>15,660,316</b>	<b>97%</b>	<b>-</b>	<b>25,930,000</b>	<b>41,590,316</b>	<b>99%</b>
<b>Net Surplus (Deficit)</b>	<b>437,953</b>	<b>3%</b>	<b>-</b>	<b>-</b>	<b>437,953</b>	<b>1%</b>
% of Mission	78%				91%	
% of Overhead	20%				7%	
Cost per patient	22,500				59,756	